Center for Translational and Policy Research on Precision Medicine

University of California San Francisco

# Insurance & Coverage Considerations for MCD

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### Disclosures

• ICER: Member of the California Technology Assessment Forum (CTAF), which is an independent appraisal committee for the Institute for Clinical and Economic Review (ICER)

• Chair, Global Economics and Evaluation of Clinical Genomics Sequencing Working Group, supported by Illumina Inc.

### Questions

1) Why assess coverage considerations now - when clinical utility has not been demonstrated?

2) How do payers consider evidence needed for coverage?

3) What are possible next steps?

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# 1) Why assess coverage considerations now - when clinical utility has not been demonstrated?

- <u>After</u> adoption into care is too late!
  - If coverage not considered/addressed early likely to lead to variable access & disparities
  - Complex pathway requires new frameworks & approaches
    - Coverage of test itself is only tip of iceberg
    - Need to consider coverage of:
      - Follow-up interventions: whether test negative or positive
      - Overlapping tests: whether/when will be covered
      - Repeated testing: Who? When?
- <u>Simultaneously</u> develop evidence:
  - Clinical utility
  - Payer evidentiary requirements and data to address those
  - Data & modeling needed for assessing budget impact ("can pay") & cost-effectiveness ("should" pay)
  - Patient & provider preferences and needs
  - How to avoid inequities



## 2) How do payers consider evidence needed for coverage?

- In-depth, descriptive studies with TRANSPERS Payer Advisory Board
  - Board established 2007
  - Senior executives representing largest national health plans, regional plans/integrated health systems, employer groups on health, lab benefit manager companies
  - > 10 peer-reviewed publications
- Study on MCD published 2023: 19 payers/organizations (150M lives)
  - 84% of payers saw potential merit of MCD for cancers w/o current screening
    - 42% viewed merit of MCD with existing screening
  - Common barriers noted
    - 71% inclusion of cancers w/o prior demonstration of benefit from early diagnosis
    - 53% high false-negative rate
    - 53% lack of care protocols for false-positive MCD tests
  - Majority (64%) would potentially accept rigorous RWE (vs. RCTs)
    58% would accept surrogate endpoints
  - Even if clinical benefits demonstrated, 58% would not cover MCD tests for general population 50+
  - Majority (74%) did not expect MCD to reduce disparities due to potential harm from overtreatment & barriers to downstream care Trosman et al, Health Affairs Scholar, 2023



## 3) What are possible next steps?

- <u>1. Develop frameworks/approaches for considering coverage/protocols of entire pathway</u>
  - Screening is a continuum all components must be considered
  - Need to address need for comprehensive and consistent guidelines
    - NAM Roundtable on Genomics Workshop 10/29-10/30
- <u>2. Assess multiple possible coverage pathways</u>
  - Medicaid & Medicare & private insurer and self-insured employers and lab benefit managers
  - Coverage with evidence development/TCET & other performance-based risk sharing arrangements
  - State & national legislation
    - Our recent JAMA study found state legislation mandating payer coverage for "biomarker testing" is well-intentioned but there are implementation challenges
  - New Administration? LDT regulation?
- <u>3. Engage payers and patients in study design & dissemination</u>
  - Involve patient advocacy groups
  - Engage payers

Deverka et al, Health Affairs, 2022 Trosman et al, Health Affairs Scholar, 2023 Lin et al, JAMA 2024



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Multicancer Screening Tests: Anticipating And Addressing Considerations For Payer Coverage And Patient Access

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Perspectives of private payers on multicancer earlydetection tests: informing research, implementation, and policy 3

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#### The State of State Biomarker Testing Insurance Coverage Laws

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